

03-25-2003

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Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005) Tab settings



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U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

DATP, LP

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State, Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other

Execution Date: 03/07/2003

2. Name and address of receiving party(ies)

Name: Trident Growth Fund, LP

Internal Address:

Street Address: 700 Gemini, Suite 400 City: Houston State: TX Zip: 77058

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State, Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s) 76/258002, 76/258003

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: F. Alec Orudjev

Internal Address: Dilworth Paxson, LLP

Street Address: 1818 N Street, NW Suite 400

City: Washington State: DC Zip: 20036

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 3.41) \$ 65.00

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

F. Alec Orudjev Name of Person Signing

F. Alec Orudjev Signature

March 20, 2003 Date

Total number of pages including cover sheet, attachments, and document.

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

03/25/2003 6TOM11 00000067 76258002

01 FC:8521 40.00 OP 02 FC:8522 25.00 OP

REPLACEMENT SECURITY AGREEMENT

Date: March 7, 2003
Debtor: DATP, LP, a Texas limited partnership
Debtor's Mailing Address: 5010 Addison Circle
Addison, Texas 75001

Secured Party: Trident Growth Fund, LP
Secured Party's Mailing Address: 700 Gemini
Houston, Texas

THIS SECURITY AGREEMENT REPRESENTS THAT REPLACEMENT SECURITY AGREEMENT SPECIFIED IN THAT ASSIGNMENT OF SECURITY AGREEMENT AND SECURITY AGREEMENT, DATED MARCH 7, 2003, BY AND BETWEEN LIQUIDTRADER TECHNOLOGIES, INC., DATP, LP AND TRIDENT GROWTH FUND LP (THE "ASSIGNMENT") AND IS EXPRESSLY GIVEN IN ACCORDANCE WITH THE TERMS AND CONDITIONS THEREOF.

Collateral: All "Assets" (as such term is defined in the Asset Purchase Agreement dated as of the date hereof (the "Purchase Agreement") among Debtor, Secured Party and certain shareholders of Secured Party), to the extent that a security interest can be granted therein under the Texas Uniform Commercial Code, together with all proceeds (including insurance proceeds) from the sale, destruction, loss, or other deposition of any of the property described in this Collateral section.

Obligation: The Secured Net Revenue Promissory Note described below (the "Note") when and as due in accordance with the provisions thereof, together with expenses payable by Debtor pursuant to the provisions of Paragraph 2 of the covenants section hereof.

Date: March 7, 2003
Amount: Up to \$1,146,000
Maker: Debtor
Payee: Secured Party
Final Maturity Date: April 7, 2008
Terms of Payment: As provided therein

Debtor grants to Secured Party a security interest in the Collateral to secure payment and performance of Debtor's obligations under the Note when, if and as due in accordance with the provisions thereof, and all renewals and extensions thereof.

Debtor's Warranties:

1. Ownership. Debtor owns the collateral and has the authority to grant this security interest.

Debtor's Covenants:

1. Protection of Collateral. Debtor will not grant any security interests in the collateral except for liens for taxes not yet due and the security interests set forth in this agreement and will defend Secured Party against any security interest granted by Debtor in violation of this section. Subject to the provisions of this agreement, the collateral will remain in Debtor's possession or control at

all times and Debtor will maintain the collateral in good condition and protect it against misuse, abuse, waste and deterioration except for ordinary wear and tear resulting from its intended use. Notwithstanding any other provision of this agreement, Debtor may license, sell, transfer or otherwise dispose of any of the Collateral or any rights therein free of the security interests granted in this agreement except that (a) Debtor may not sell the LiquidTrader Technology (as such term is defined in the Purchase Agreement) except in connection with an Acceleration Event (as such term is defined in the Purchase Agreement) (to which Secured Party hereby consents with no requirement for the payment of any fee in connection therewith), it being understood that there is no restriction of any kind set forth in this agreement on the ability of Debtor to license such LiquidTrader Technology and (b) any encumbrances granted in the Collateral shall be junior in priority to the security interests granted in this agreement. Secured Party agrees to release its security interests in the LiquidTrader Technology in connection with any such Acceleration Event and payment of the Obligation.).

2. Secured Party's Costs. Debtor will pay all expenses incurred by Secured Party during the continuance of an Event of Default in enforcing this security interest and in collecting or enforcing the Obligation, including any taxes, assessments, reasonable attorney's fees, and other legal expenses. These expenses will bear interest from the dates of payments at the highest rate stated in the Note and Debtor will pay Secured Party this interest on demand at a time and place reasonably specified by Secured Party. These expenses and interest will be part of the obligation. Notwithstanding anything contained in this agreement or elsewhere to the contrary, the only recourse of Secured Party for the satisfaction of the obligations of Debtor under this agreement shall be to foreclose upon the Collateral, it being the express intention of Secured Party and Debtor that in no event shall Secured Party seek a monetary deficiency judgment against Debtor with respect to any indebtedness, liabilities or obligation of Debtor hereunder.
3. Additional Documents. Debtor will sign any financing statements, continuation statements or like documents reasonably necessary to maintain and perfect this security interest. In the event that Debtor after the date of this agreement files/records for any trademarks or copyrights with respect to the Assets, Debtor will give prompt notice to Secured Party in connection therewith and cooperate in the preparation and filing of any filings by Secured Party that may be necessary to perfect Secured Party's security interest in such trademarks and copyrights.
4. Notice of Changes. Debtor will immediately notify Secured Party of any material change in the collateral other than in the ordinary course of business or any change in Debtor's name, address, or location; change in any matter warranted or represented in this agreement; and any Event of Default.
5. Debtor will not permit the collateral to be affixed to any real estate, to become an accession to any goods, to be commingled with other goods, or to become a fixture, accession, or part of a product or mass with other goods except as expressly provided in this agreement or in the ordinary course of business.
6. Debtor agrees, with regard to the collateral and proceeds, from time to time when reasonably requested by Secured Party after the occurrence of an Event of Default and during the continuance thereof, to prepare and deliver a schedule of all collateral and proceeds subject to this agreement and to, for collateral purposes, assign in writing and deliver to secured party all accounts, contracts, leases and other chattel paper, instruments, documents and other evidences thereof.
7. During the existence of any Event of default, Debtor will use reasonable diligence to collect all collateral, including amounts payable under licenses, in trust for the benefit of the Secured Party, and to immediately endorse as appropriate and deliver such rights to payment and proceeds to Secured Party daily in the exact form in which they are received together with a collection report in a form satisfactory to Secured Party.

Rights and Remedies of Secured Party:

1. **Generally.** Secured Party may exercise the following rights and remedies after the occurrence of an Event of Default and during the continuance thereof:
 - a) take control of any proceeds of the collateral;
 - b) release any collateral in Secured Party's possession to any debtor, temporarily or otherwise;
 - c) take control of any funds generated by the collateral, such as refunds from and proceeds of insurance, and reduce any part of the obligation accordingly or permit Debtor to use such funds to repair or replace damaged or destroyed collateral covered by insurance; and
 - d) demand, collect, convert, redeem, settle, compromise, receipt for, realize on, adjust, sue for, and foreclose on the collateral either in Secured Party's Debtor's name, as Secured Party desires.

Events of Default: Each of the following conditions is an Event of Default if not cured within an applicable cure or grace period under any Loan Document by and between Secured Party and Debtor:

1. if Debtor defaults in timely payment when due under the Note; or
2. if any material warranty, covenant or representation made to Secured Party by or on behalf of Debtor in writing proves to have been false in any material respect when made;
3. if a receiver is appointed for Debtor or any of the collateral;
4. if the collateral is assigned for the benefit of creditors or, to the extent permitted by law, if bankruptcy or insolvency proceedings commence against: Debtor or any maker, drawer, acceptor, endorser, guarantor, surety, accommodation party, or other person liable on or for any part of the obligation;
5. if any financing statement regarding the collateral senior to the security interests created in this agreement and not favoring Secured Party is filed after the date hereof;
6. if any lien senior to the lien created under this agreement attaches to any of the collateral after the date hereof, except for this security interest;
7. if any material amount of the collateral is lost, stolen, damaged, or destroyed, unless it is promptly replaced with collateral of like quality or restored to its former condition.

Remedies of Secured Party on Default:

1. During the existence of any Event of Default that has continued unremedied for 90 days after written notice thereof has been given by Secured Party to Debtor in accordance with the notice provisions set forth in Section 9.3 of the Purchase Agreement, Secured Party may declare the unpaid principal and earned interest of the Obligation then due pursuant to the provisions of the Note to be immediately due in whole or part, **provided, however,** after the expiration of such 90-day period, during the existence of any Event of Default arising by reason of the failure of Debtor to make payments under the Note when due, the Secured Party may declare the face amount of the Obligation, less offsets and all amounts previously paid, to be immediately due in whole or part, enforce the Obligation and exercise any rights and remedies granted by the Uniform Commercial Code or by this agreement, including the following:
 - a) require Debtor to deliver to Secured Party all books and records relating to the collateral;
 - b) require Debtor to assemble the collateral and make it available to Secured Party at a place reasonably convenient to both parties;

- c) take possession of any of the collateral and for this purpose enter any premises where it is located if this can be done without breach of the peace;
- d) sell, lease, or otherwise dispose of any of the collateral in accord with the rights, remedies, and duties of a secured party under chapters 2 and 9 of the Texas Uniform Commercial Code after notice as required by those chapters; unless the collateral threatens to decline speedily in value, is perishable, or would typically be sold on a recognized market, Secured Party will give Debtor reasonable notice of any public sale of the collateral or of a time after which it may be otherwise disposed of without further notice to Debtor; in this event, notice will be deemed reasonable if it is mailed, postage prepaid, to Debtor at the address specified in this agreement at least ten days before any public sale or ten days before the time when the collateral may be otherwise disposed of without further notice to Debtor; in this event, notice will be deemed reasonable if it is mailed, postage prepaid, to Debtor at the address specified in this agreement at least ten days before any private sale or ten days before any public sale or ten days before time when the collateral may be otherwise disposed of without further notice to Debtor;
- e) surrender any insurance policies covering the collateral and receive the unearned premium;
- f) apply any proceeds from disposition of the collateral after default in the manner specified in chapter 9 of the Uniform Commercial Code, including payment of Secured Party's reasonable attorney's fees and court expenses.

General Provisions


1. **Parties Bound.** Secured Party's rights under this agreement shall inure to the benefit of its successors and assigns. Assignment of any part of the obligation and delivery by Secured Party of any part of the collateral will fully discharge Secured Party from responsibility for that part of the collateral. If Debtor is more than one, all their representations, warranties, and agreements are joint and several. Debtor's obligations under this agreement shall bind Debtor's personal representatives, successors, and assigns.
2. **Waiver.** Neither delay in exercise nor partial exercise of any Secured Party's remedies or rights shall waive further exercise of those remedies or rights. Secured Party's failure to exercise remedies or rights does not waive subsequent exercise of those remedies or rights. Secured Party's waiver of any default does not waive further default. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.
3. **Reimbursement.** If Debtor fails to perform any of Debtor's obligations, Secured Party may perform those obligations and, subject to the provisions of this agreement, be reimbursed by Debtor on demand at the place where the note is payable for any sums so paid, including attorney's fees and other legal expenses, plus interest on those sums from the dates of payment at the rate stated in the note for matured, unpaid amounts. The sum to be reimbursed shall be secured by this security agreement.
4. **Interest Rate.** Interest included in the obligation shall not exceed the maximum amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited to the principal of the obligation or, if that has been paid, refunded. On any acceleration or required or permitted prepayment of the obligation, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal amount of the obligation or, if the principal amount has been paid or refunded. This provision overrides other provisions in this and all other instruments concerning the obligation.
5. **Modifications.** No provisions of this agreement shall be modified or limited except by written agreement.

6. Severability. The unenforceability of any provision of this agreement will not effect the enforceability or validity of any other provision.
7. After-Acquired Consumer Goods. This security interest shall attach to after-acquired consumer goods only to the extent permitted by law.
8. Applicable Law. This agreement will be construed according to Texas laws.
9. Place of Performance. This agreement is to be performed in the county of Secured Party's mailing address.
10. Financing Statement. A carbon, photographic, or other reproduction of this agreement or any financing statement covering the collateral is sufficient as a financing statement.
11. Singular and Plural. When the context requires, singular nouns and pronouns include the plural.
12. Priority of Security Interest. Neither extensions of any of the obligation nor releases of any of the collateral will affect the priority of validity of this security interest with reference to any third person.
13. Cumulative Remedies. Foreclosure of this security interest by suit does not limit secured Party's remedies, including the right to sell the collateral under the terms of this agreement. All remedies of Secured Party may be exercised at the same or different times, and no remedy shall be a defense to any other. Secured Party's rights and remedies include all those granted by law or otherwise, in addition to those specified in this agreement.
14. Agency. Debtor's appointment of Secured Party as Debtor's agent is coupled with an interest and will survive any disability of Debtor.
15. Attachments Incorporated. The addendum indicated below is attached to this agreement and incorporated into it for all purposes:
 - a) () U.S. Patent and Trademark Office filings.

DEBTOR:

DATP, LP

By: DATP GP, LLC

By: 
Name: George M. Thompson
Its: Manager

SECURED PARTY:

TRIDENT GROWTH FUND, L.P.

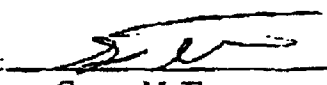
By: Trident Management, LLC, its general partner

By: _____
Name: Scotty Cook
Its: Member

DEBTOR:

DATF, LP

By: DATF GP, LLC

By: 
Name: George M. Thompson
Its: Manager

SECURED PARTY:

TRIDENT GROWTH FUND, L.P.

By: Trident Management, LLC, its general partner

By: 
Name: Scotty Cook
Its: Member

ASSIGNMENT OF NOTE AND SECURITY AGREEMENT

This Assignment of Note and Security Agreement ("Assignment") dated March 7, 2003 is entered into by and among LIQUIDTRADER TECHNOLOGIES, INC., a Texas corporation ("Borrower"), TRIDENT GROWTH FUND, LP, ("Lender"), and DATP, LP ("Company") (collectively, the "Parties").

RECITALS:

WHEREAS, Lender has previously provided certain credit facilities (the "Facilities") to Borrower, the payment of which has been secured by a security interest in favor of Lender in certain of Borrower's assets;

WHEREAS, Borrower intends to sell substantially all of its assets (the "Assets") to the Company pursuant to that Asset Purchase Agreement dated of even date herewith, to which the Company and Borrower are included as parties (the "Purchase Agreement");

WHEREAS, as a material inducement to the Company to consummate the transactions contemplated by the Purchase Agreement, the Lender has agreed, by the terms of that separate Release of Security Interest of even date herewith (the "Release of Security Interest") to release its security interest in the Assets;

WHEREAS, as a material inducement to the Lender to grant the Release of Security Interest, Borrower has agreed, pursuant to the terms of this Assignment, to assign to Lender, all of its right, title and interest in, to and under (1) the Secured Net Revenue Promissory Note provided to Borrower as partial consideration under the terms of the Purchase Agreement (the "Seller Note") and (2) the security interest granted by the Company to Borrower under Section 3.8 of the Purchase Agreement and the Security Agreement to secure the Company's obligation to pay, when due, the Seller Note; and

WHEREAS, the Company desires to facilitate the transfers and assignments herein for the benefit of Borrower and Lender.

AGREEMENTS:

NOW, THEREFORE, in consideration of the recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed hereby, the Parties agree as follows:

1. **Assignment of Seller Note and Security Agreement.** Borrower hereby sells, transfers, assigns, conveys, grants and delivers to Lender all of its rights, titles and interests in, to and under the Seller Note and the Security Agreement (including all rights to a security interest in the Assets).

2. **Cancellation of Seller Note; Issuance of Replacement Note.** As an accommodation to the Lender, and in light of this Assignment, the Parties hereto agree to the cancellation of the Seller Note and the replacement thereof with a new Secured Net Revenue Promissory Note, in a form substantially identical to the Seller Note (the "Replacement Note") to be issued and delivered to the Lender.

3. **Cancellation of Original Security Agreement; Issuance of Replacement Security Agreement.** As an accommodation to the Lender, and in light of this Agreement, the Parties hereto agree to the cancellation of the Original Security Agreement and the replacement thereof with a new Security Agreement in a form substantially identical to the Original Security Agreement (the "Replacement Security Agreement"), to be issued and delivered to the Lender.

ASSIGNMENT OF NOTE AND
SECURITY AGREEMENT
Wtseurade/LiquidTrader

4. **Financing Statements.** Borrower hereby agrees that Lender shall be permitted to be listed as the original secured party on any UCC Financing Statement filed with the State of Texas or any other filing used to perfect its security interest in the Assets, including any filing made with the U.S. Patent and Trademark Office.

5. **Recognition.** The Borrower acknowledges and the Company covenants and agrees that the Company will recognize Lender as payee under the Replacement Note and secured party under the Replacement Security Agreement from and after the date hereof in the same manner and to the same extent as if the Lender were the original payee and secured party, as the case may be, thereunder.

6. **Acknowledgment.** The Lender acknowledges that this Assignment has been given subject to the terms and conditions of the Replacement Note and the Replacement Security Agreement and the Purchase Agreement incorporated therein by reference, including the provisions dealing with offset for Damages incurred by the Buyer Indemnified Persons after the date hereof.

7. **No Warranty.** This Assignment is made **WITHOUT RECOURSE TO LENDER AND WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED**, any such warranty being expressly disclaimed by Lender, except that Borrower represents and warrants to Company and the Lender as follows:

- (i) Borrower is the sole owner and holder of the Seller Note and Security Agreement;
- (ii) Borrower has the right and authority to transfer the Seller Note and Security Agreement; and
- (iii) Borrower has not previously sold, transferred, encumbered or assigned any of its right, title or interest in the Seller Note or the Security Agreement to any other person or entity.

8. **Priority.** The priority of the liens and security interests in favor of Borrower by reason of the Security Agreement and related filings shall be deemed preserved and maintained in favor of the Lender.

9. **Further Assurances.** Borrower hereby agrees to execute and deliver or cause to be executed or delivered hereafter any and all further instruments as the Lender may reasonably require to evidence and vest in the Lender all interests of Borrower in, to and under the Seller Note or the Security Agreement.

10. **Governing Law.** This Assignment shall be governed and construed in accordance with the laws of Texas.

11. **Severability.** This Assignment is intended to be severable. If any term, covenant, condition, or provision hereof is illegal, invalid or unenforceable for any reason whatsoever, such illegality, invalidity or unenforceability shall not affect the legality, validity or enforceability of the remaining parts of this Assignment.

12. **Counterparts.** This Assignment may be executed in counterparts or with detachable signature pages and shall constitute one agreement, binding upon all parties hereto as if all parties signed the same document.

13. **Headings.** The headings used in this Assignment are intended solely for the convenience of reference, and should not in any manner amplify, limit, modify or otherwise be used in the interpretation of any of the provisions of this Agreement.

14. **Definitions.** Capitalized terms used herein but not otherwise defined shall have the meanings ascribed thereto in the Purchase Agreement.

Executed the day and year first written above.

Cook Family

972-993-2205

P. 2

Mar-07-2003 16:41

From-ARTER & HADDEN


2147483824

T-887 P.006/008 F-877

LENDER:

TRIDENT GROWTH FUND, L.P.

By: Trident Management, LLC, its general partner

By: 
Name: _____
Title: _____

BORROWER:

LIQUIDTRADER TECHNOLOGIES, INC.

By: 
Name: John Dankovchik
Its: President

COMPANY:

DATP, LP

By: **DATP GP, LLC**

By: 
Name: George M. Thompson
Its: Manager